

# Physician & ARNP participation in state medical assistance



Doug Porter  
Assistant  
Secretary,  
Medical  
Assistance  
Administration,  
DSHS

Washington  
State  
Orthopaedic  
Association  
June 25, 2005

Washington State Orthopaedic Association  
2005 Socioeconomic Symposium  
Seattle



# Today's presentation

## 1. Provider participation

- MAA fee-for-service physician participation over time
- Number of Emergency Room visits over time
- Orthopedic providers participation over time

## 2. Washington Medicaid physician rates

- Rates as compared to other payers
- 2005-2007 budget & provisos

## 3. Where do we go next?

Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

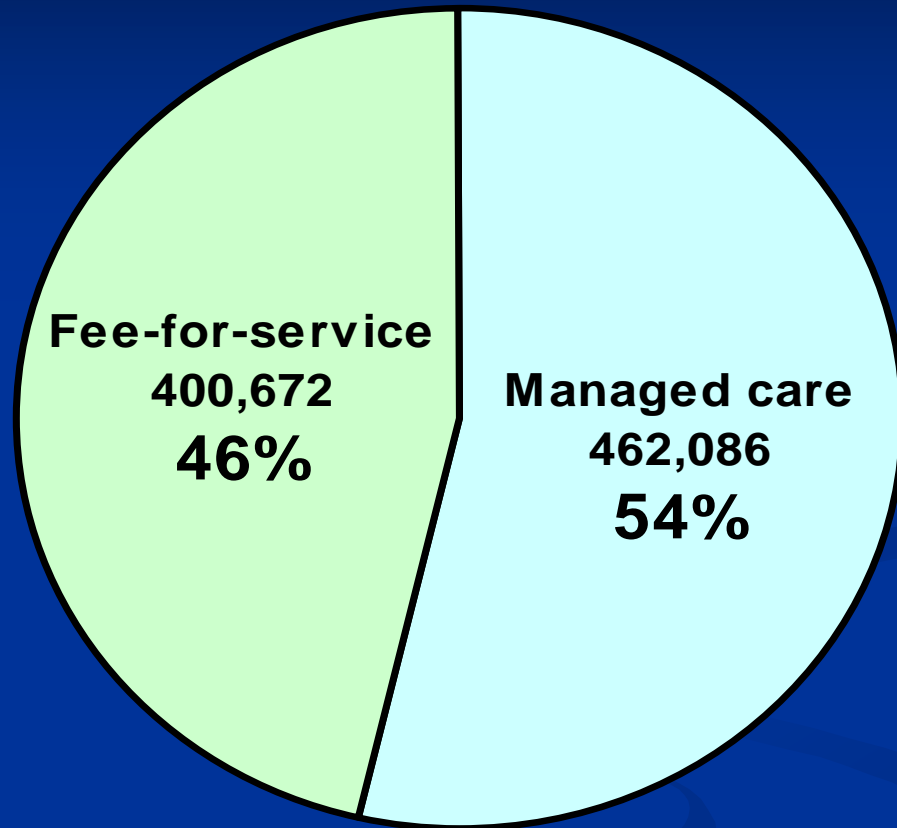
June 25, 2005

## Provider participation

# Medical assistance caseload



**MAA  
caseload in  
SFY2004**



**Slightly more than half of MAA's caseload receive health-care services through private health-care plans that contract with the state**

Provider  
participation in  
Washington  
State Medical  
Assistance

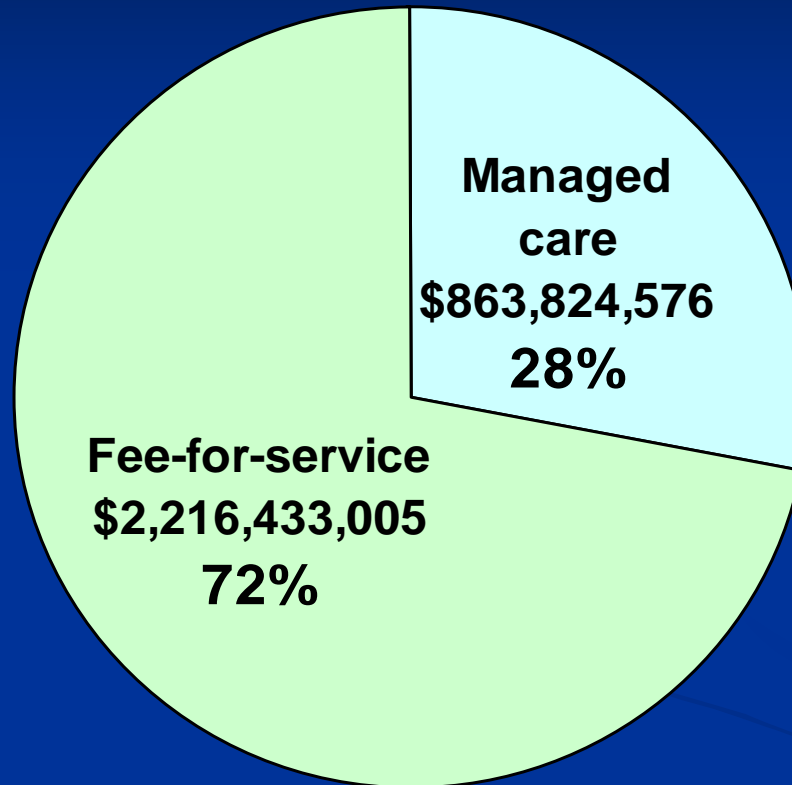
Washington  
State  
Orthopaedic  
Association

June 25, 2005



## Provider participation

# Medical assistance expenditures



**MAA  
expenditures  
in SFY2004**

**Managed care clients – primarily pregnant women, families and children – are healthier (and less expensive) than MAA's fee-for-service caseload**

Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

June 25, 2005



## Provider participation

# Tracking provider access

In March 2003, MAA developed and began tracking a set of measures to monitor fee-for-service (FFS) access to physician and ARNP care:

- **Number of active FFS providers**, which provides a basic measure of physician participation ( \* )
- **Capacity of the FFS providers network** presented as a ratio of providers to 1,000 clients, which provides a normalized measure of access capacity
- **Distribution of FFS visits** performed by the top quartile of active providers, which provides a measure of workload across active physicians

*(Continued)*

(\*) NOTE: “**Active providers**” is the number of physicians or ARNPs that had at least one patient visit in a given period.

Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

June 25, 2005



## Provider participation

# Tracking provider access, cont.

- The three measures are then compared for:
  - FFS vs. managed care
  - Primary care vs. specialty care providers
  - Adults vs. children providers ( \* )
- Each measure is compared on a statewide and by-county basis to identify overall trends and specific county issues

( \* ) NOTE: **Primary care providers** were defined as those who were in the following four categories: general practice, family practice, pediatrics, and internal medicine. **Specialty care providers** were those who were outside the four categories.

Provider  
participation in  
Washington  
State Medical  
Assistance

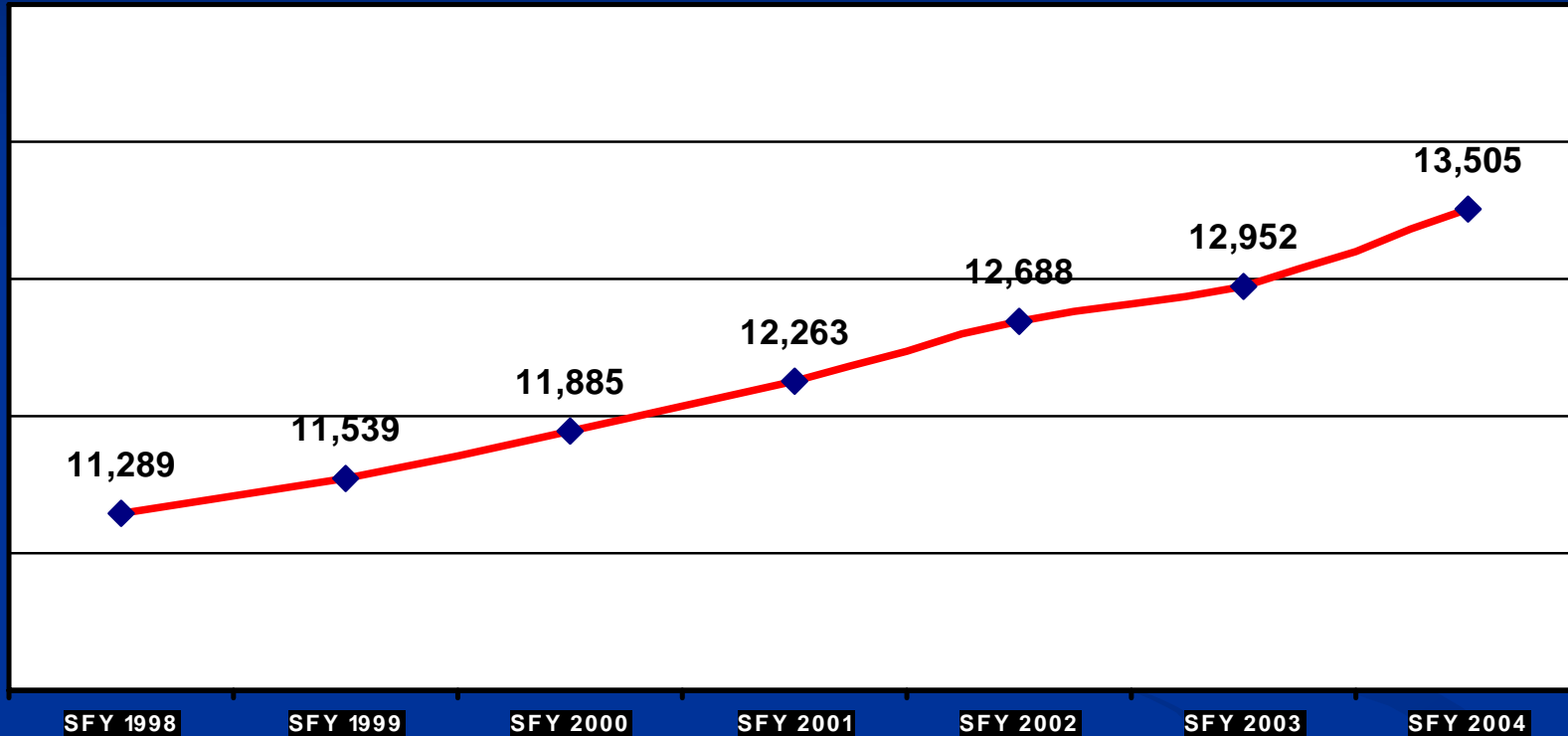
Washington  
State  
Orthopaedic  
Association

June 25, 2005



## Provider participation

# Number of active FFS physicians, SFY1998-2004



Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

June 25, 2005

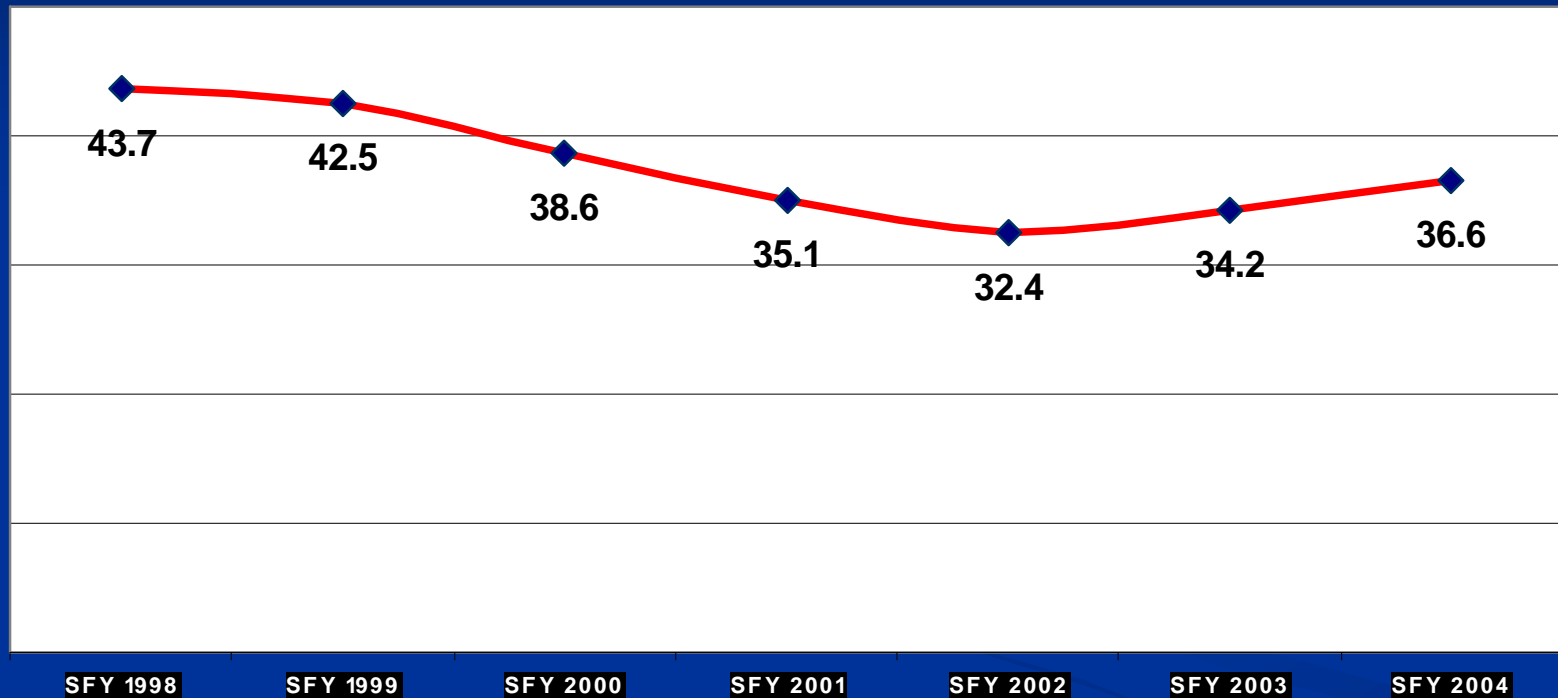
- \* Number of providers increased 3% per year statewide
- \* 26 (67%) counties had an increase in SFY2004
- \* 10 (26%) rural counties had a decrease in SFY2004
- \* Counties with decrease accounted for 7% of caseload and 3% of providers





## Provider participation

# Active FFS physicians per 1,000 clients SFY1998-04



- \* Over past seven years, the ratio of providers to clients increased in only past three years. (Increase was due in part to increase in managed care enrollment)
- \* 27 (67%) counties had an increase in SFY2004
- \* 12 (31%) counties had a decrease in SFY2004

Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

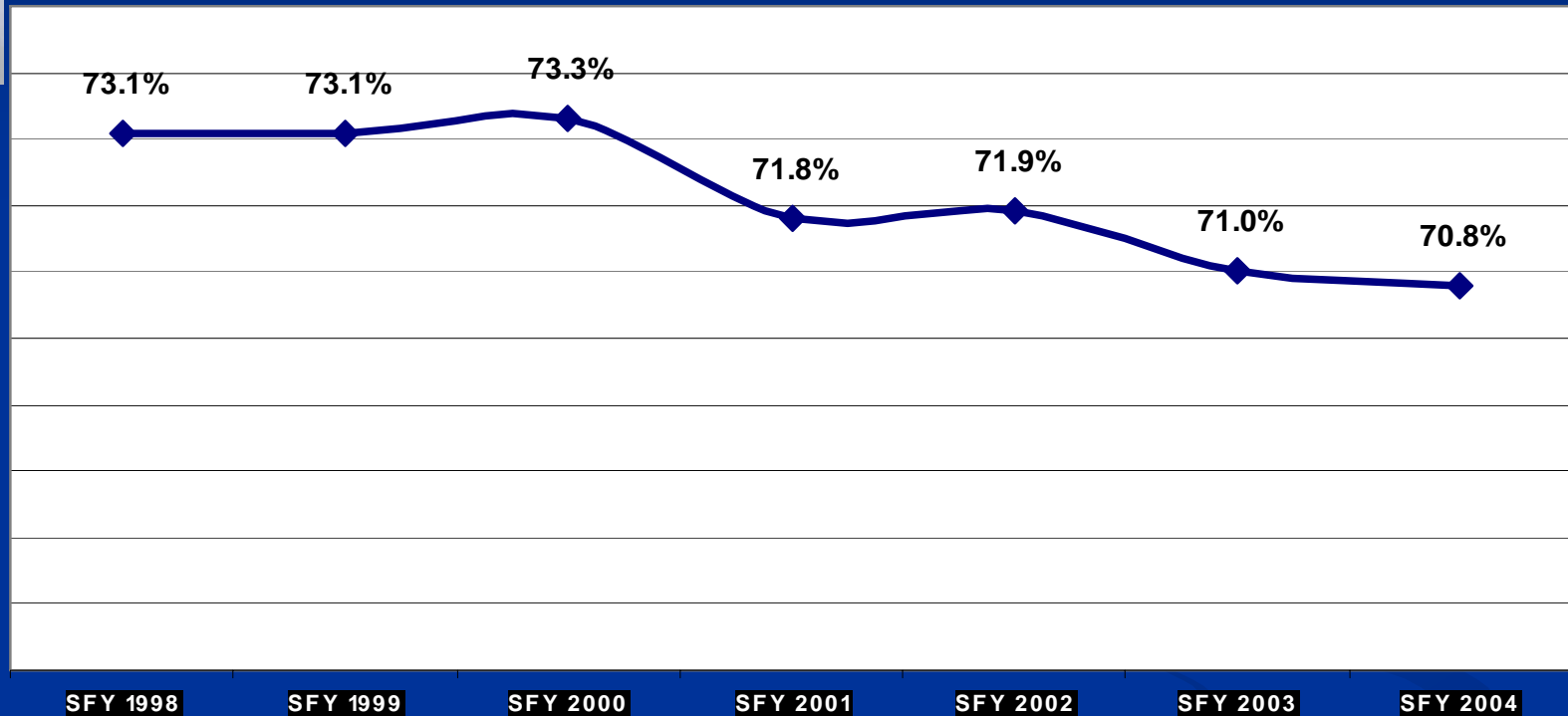
June 25, 2005





## Provider participation

# Visits to top quartile (25%) of FFS providers, SFY1998-04



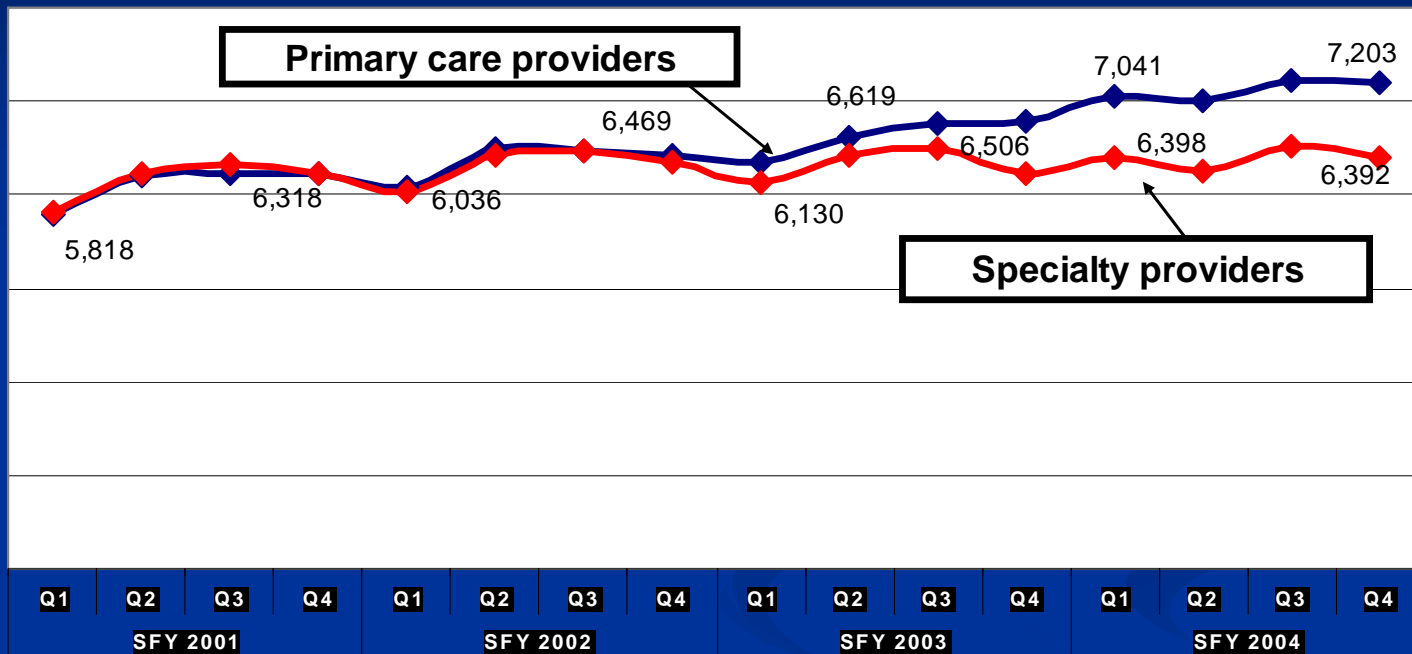
Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

**Over time, 25 percent of MAA's providers have consistently furnished more than 70 percent of office visits**

## Provider participation

# FFS primary care and specialty providers, SFY2001-04



- \* Number of primary care providers increased 5% per year over four-year period. 7% increase in SFY 2004
- \* 28 (72%) counties had an increase in SFY 2004
- \* 6 (15%) counties had a decrease in SFY 2004
- \* Number of specialty providers increased 1% per year over four-year period. 1% increase in SFY 2004
- \* 19 (49%) of the counties had an increase in SFY2004
- \* 15 (38%) had a decrease in SFY2004



Provider participation in Washington State Medical Assistance

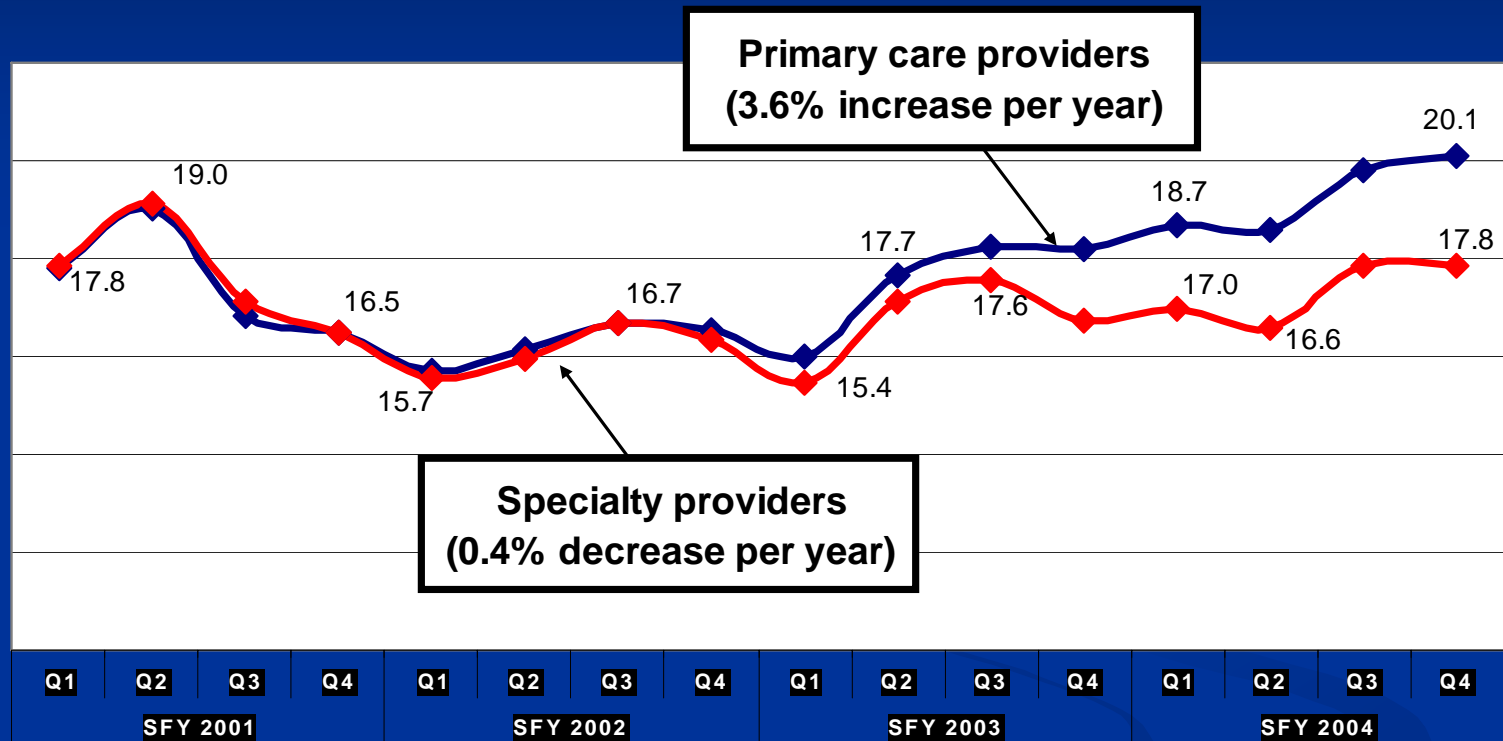
Washington State Orthopaedic Association

June 25, 2005



## Provider participation

# FFS providers per 1,000 clients



**Primary care providers' participation in the program is growing faster than specialty providers**

Provider participation in Washington State Medical Assistance

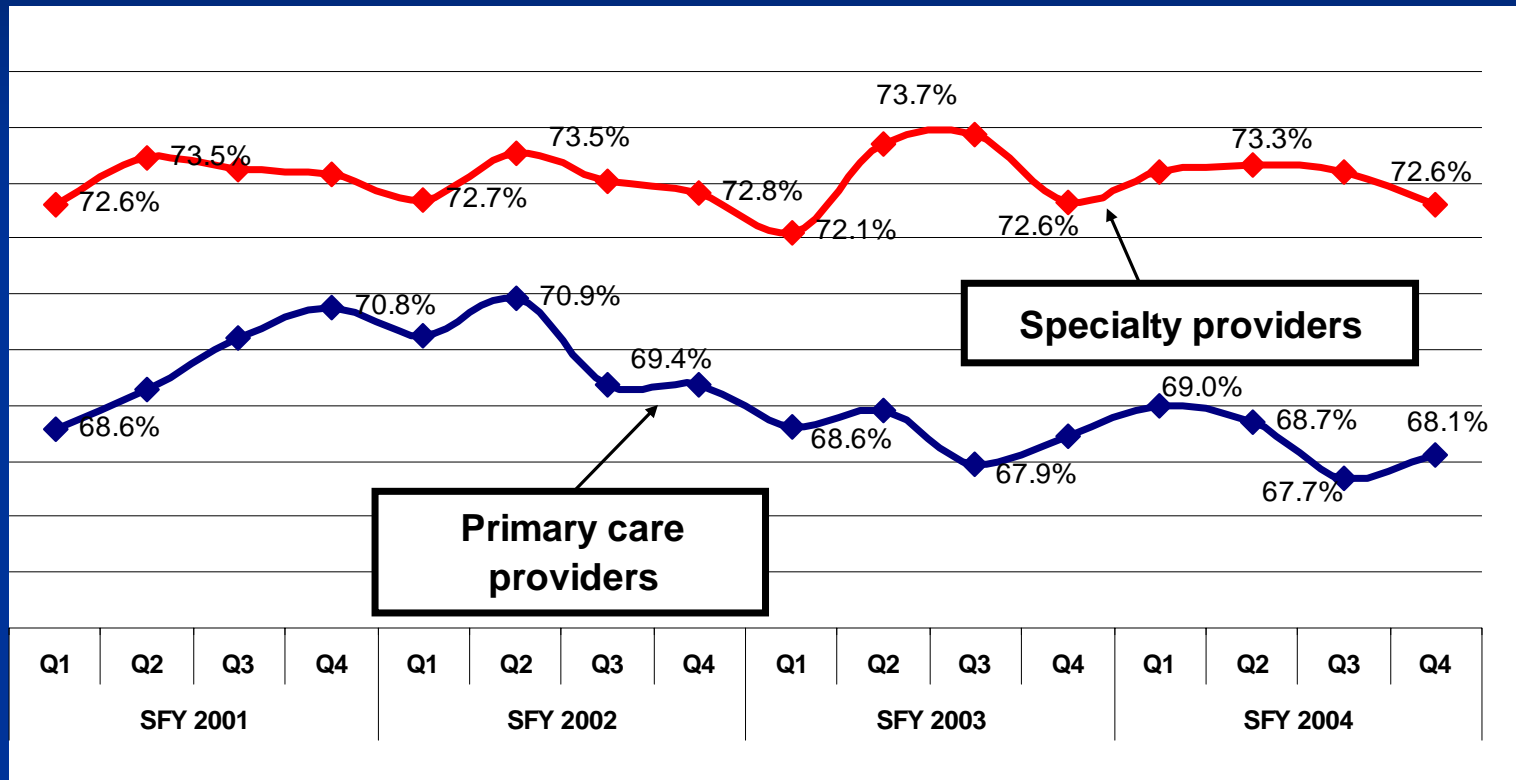
Washington State Orthopaedic Association

June 25, 2005



## Provider participation

# Visits to top quartile (25%) of providers, SFY2001-04



**Smaller relative number of specialty providers means they must carry a heavier load of medical assistance patients**

Provider participation in Washington State Medical Assistance

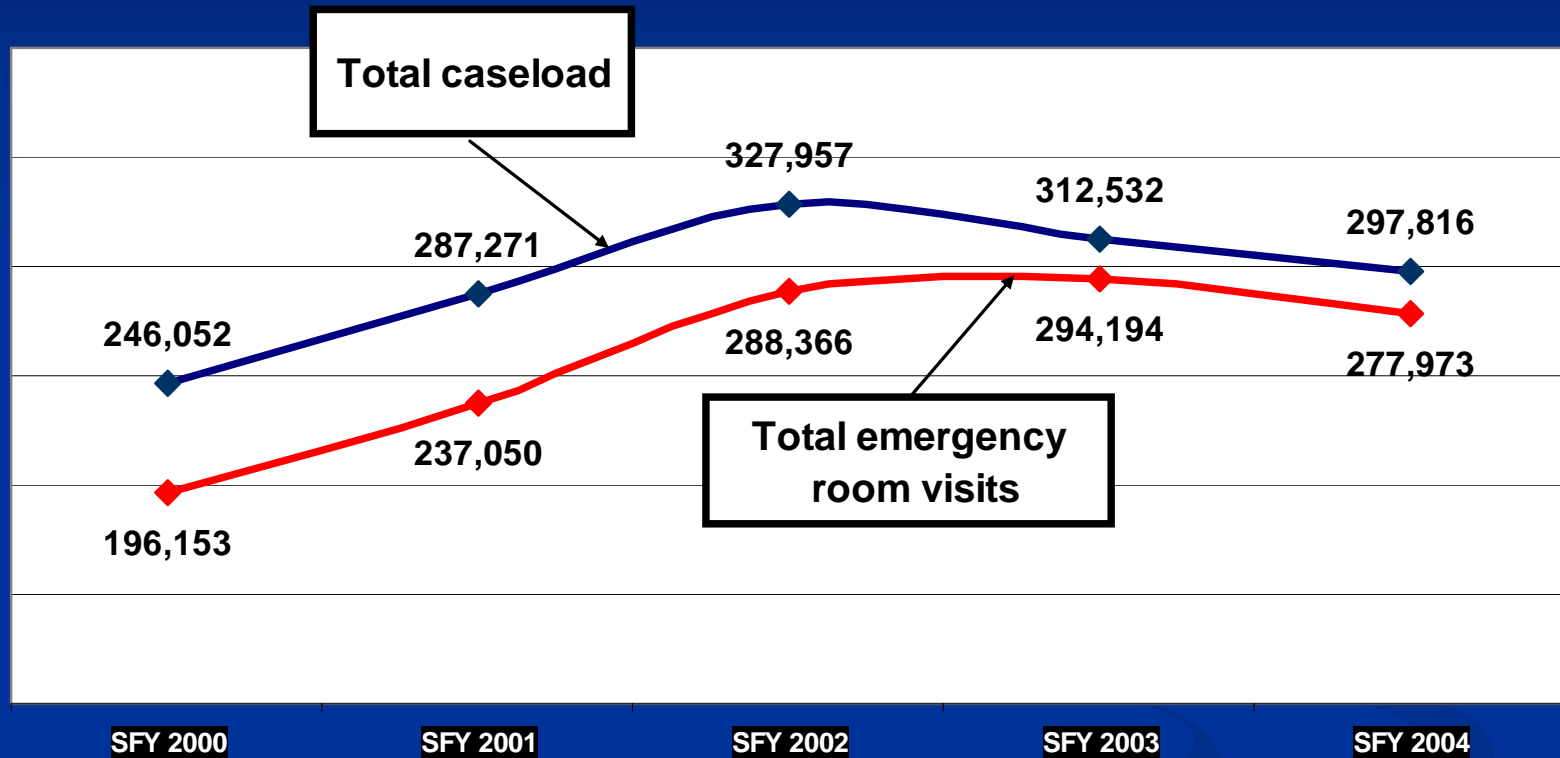
Washington State Orthopaedic Association

June 25, 2005



## Provider participation

# Medicaid FFS caseload and ER visits, SFY2001-04



**Emergency room visits have matched caseload trends over recent years**

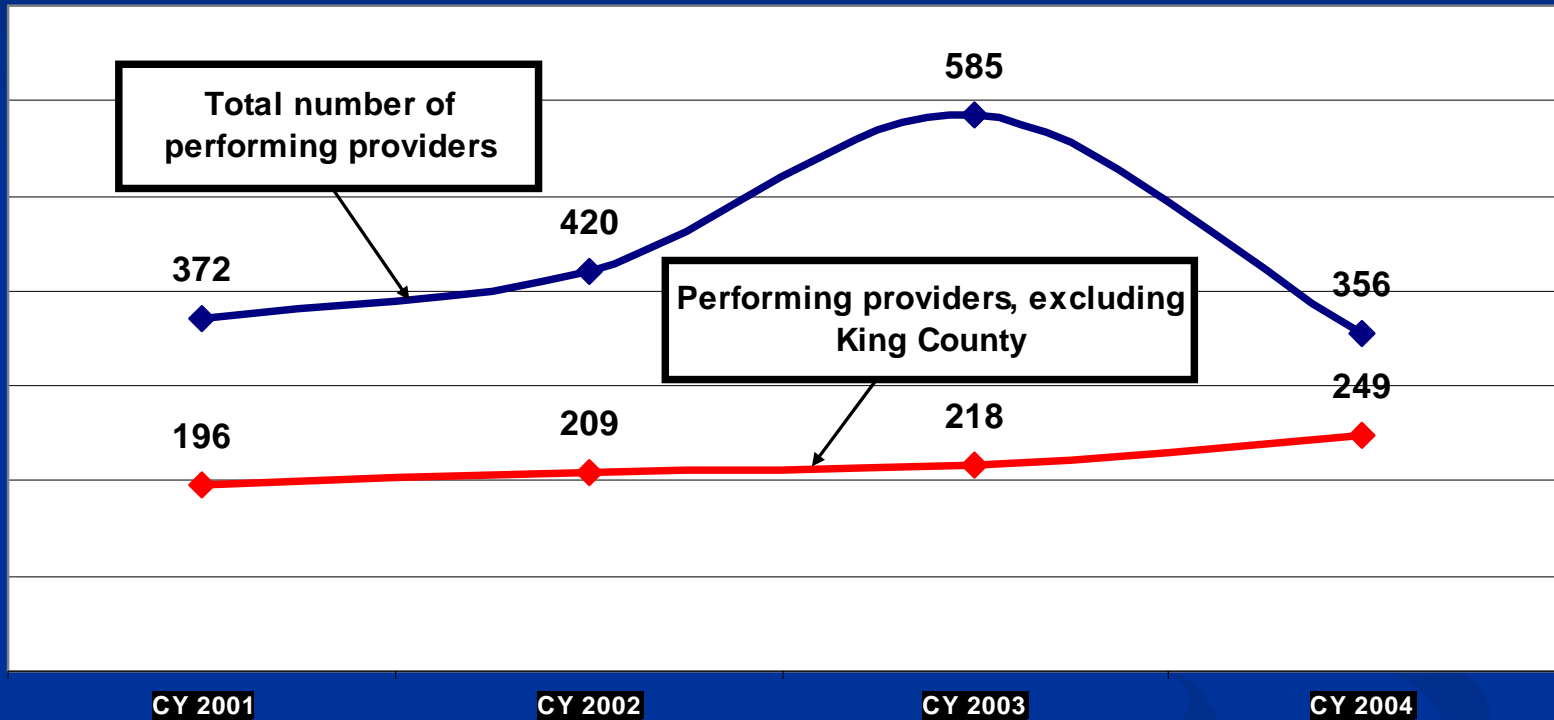
Provider participation in Washington State Medical Assistance

Washington State Orthopaedic Association

June 25, 2005

## Provider participation

# FFS providers performing orthopedic services, CY2001-04



- \* Number of performing providers decreased 38% in CY2004
- \* Most of the decrease was in King and Thurston counties
- \* Excluding King County, number of providers increased 8% per year over four-year period and 14% in CY2004

Provider  
participation in  
Washington  
State Medical  
Assistance

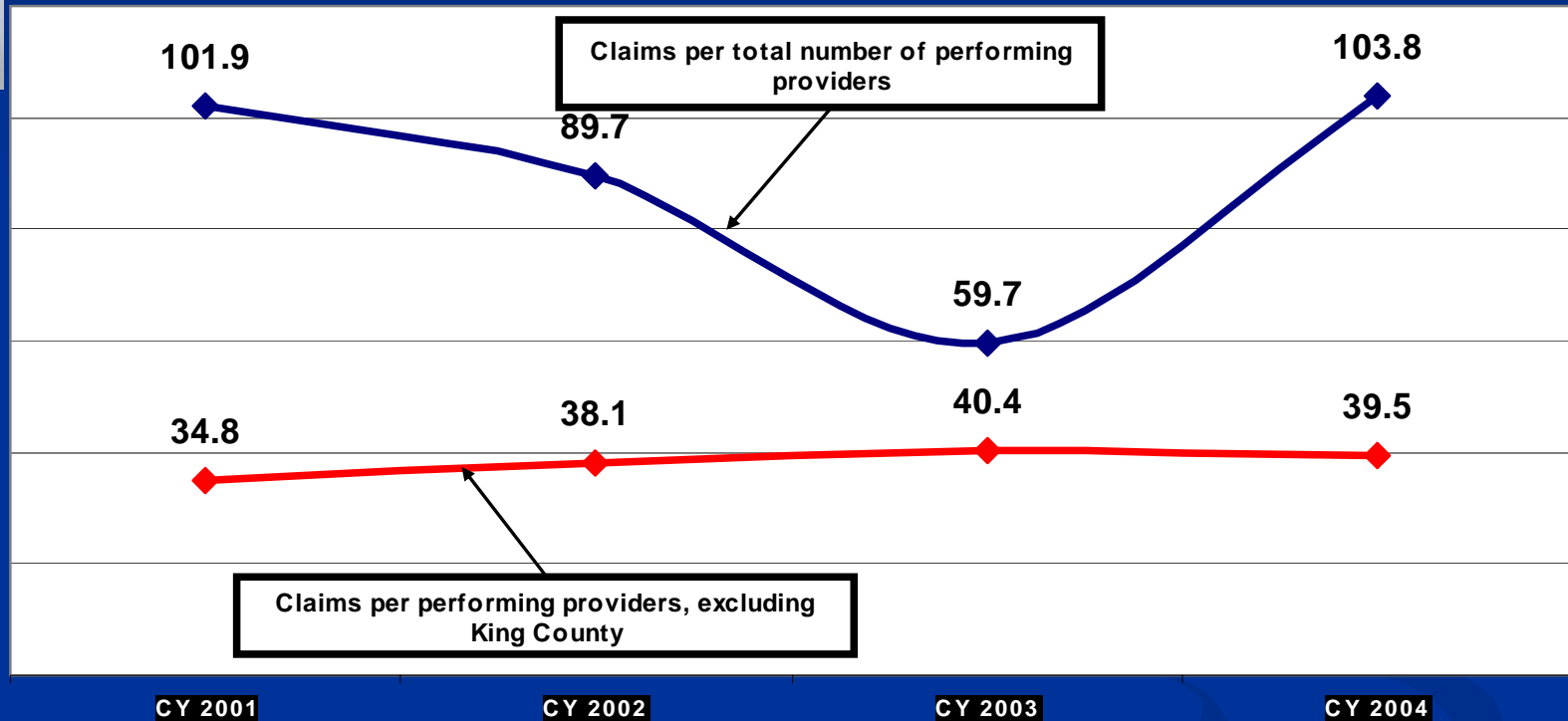
Washington  
State  
Orthopaedic  
Association

June 25, 2005



## Provider participation

# Claims per FFS provider performing orthopedic services, CY2001-04



Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

June 25, 2005

**Total claims have shown a recent upsurge, but the claims level stabilizes when King County is excluded**



## Rates

# Medicaid payment rates

- How Washington Medicaid rates rank in comparison to other states

Evaluation and management services	30 <sup>th</sup>
Surgical services	45 <sup>th</sup>
Maternity/delivery services	8 <sup>th</sup>
Routine obstetric care	3 <sup>rd</sup>
Radiology	40 <sup>th</sup>
Lab/pathology	42 <sup>nd</sup>
Psychiatry	32 <sup>nd</sup>
Medicine and testing	37 <sup>th</sup>
Vision/Ophthalmology	18 <sup>th</sup>
Aggregate fee ranking	31 <sup>st</sup>

Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

June 25, 2005

SOURCE: The Lewin Group, June 2001

## Rates

# Medicaid payment rates

## ■ Medicaid rates compared to Medicare and UMP

	RBRVS payment conversion factors:			Medicaid compared to:	
	Medicaid	Medicare	UMP	Medicare	UMP
<b>Child office visits/ EPSDT</b>	<b>\$34.35</b>	<b>\$37.34</b>	<b>\$48.59</b>	<b>92.0%</b>	<b>70.7%</b>
<b>Obstetric/delivery</b>	<b>\$44.46</b>	<b>\$37.34</b>	<b>\$48.59</b>	<b>119.1%</b>	<b>91.5%</b>
Surgery	\$22.67	\$37.34	\$48.59	60.7%	46.7%
Radiology	\$22.67	\$37.34	\$48.59	60.7%	46.7%
Medicine section	\$22.67	\$37.34	\$48.59	60.7%	46.7%
<b>Adult office visits</b>	<b>\$25.00</b>	<b>\$37.34</b>	<b>\$48.59</b>	<b>67.0%</b>	<b>51.5%</b>
Hospital visits	\$22.67	\$37.34	\$48.59	60.7%	46.7%
ER and critical care	\$22.67	\$37.34	\$48.59	60.7%	46.7%

**SOURCE:**

Provider  
participation in  
Washington  
State Medical  
Assistance

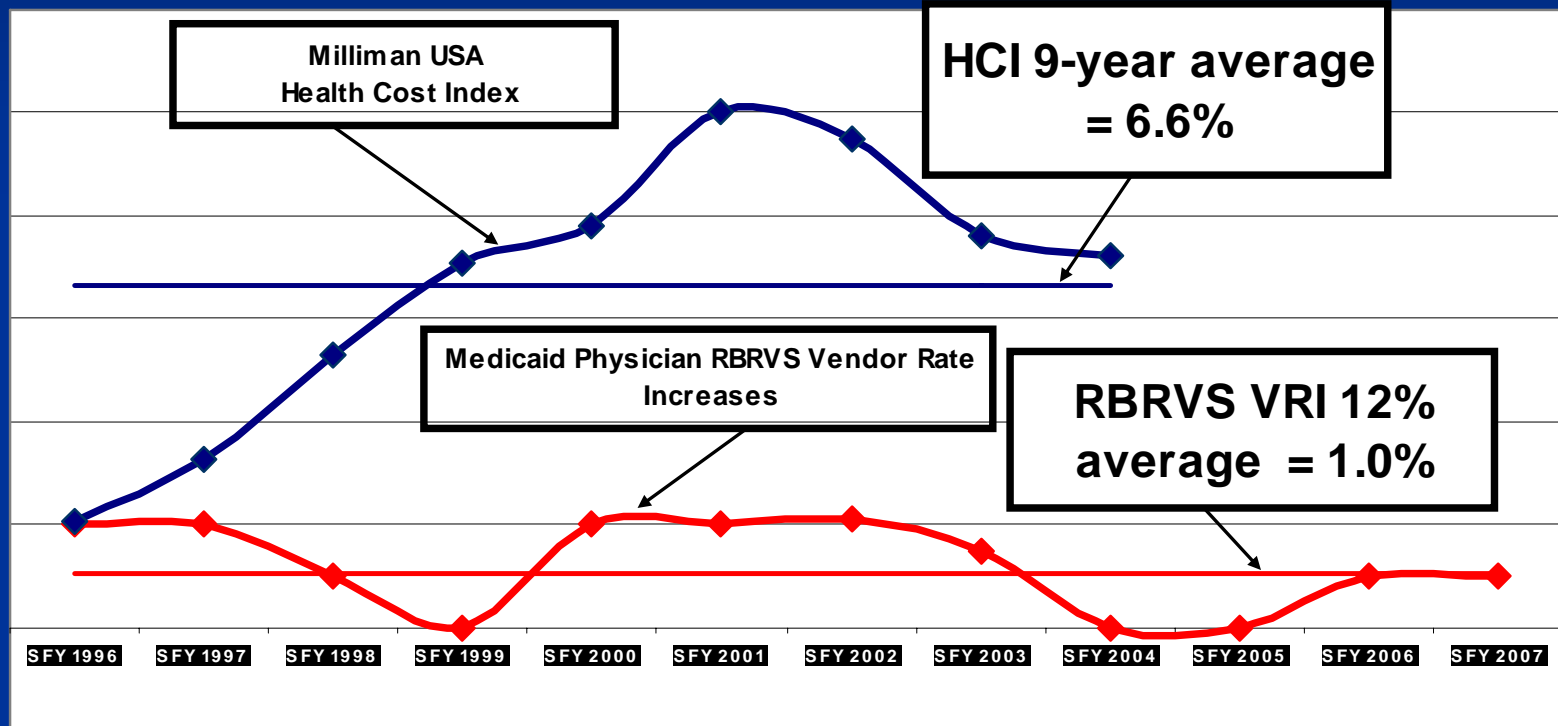
Washington  
State  
Orthopaedic  
Association

June 25, 2005



## Rates

# Physician-vendor rate hike and health-care index



**Chart shows Medicaid vendor rate increases compared to health-care cost increases**

Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

June 25, 2005

## Rates

# 2005-2007 budget enhancements

- **Physician vendor rate increase** in the budget is 1% per year, effective July 1
- **Family practice physicians** in rural counties will also receive a \$194 increase for labor and delivery in July 2005, and an additional \$216 per delivery increase in July 2006
- DSHS, Health Care Authority (HCA) and Department of Labor & Industries will participate in a joint health-care purchasing project that links provider payments to **performance/patient outcomes**
- DSHS will work with Department of Revenue, HCA and Governor's Budget Office to develop options that would prompt physician participation, including **tax credit options**



Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

June 25, 2005



Where do we go from here?

# Boosting provider participation

- Policymakers have focused in the past on the categories of providers who take care of the largest number of our clients
  - Primary care for children
  - Providers who perform obstetric care
- Potential hurdle for policymakers: How much of a rate increase would it take to make a difference in provider participation?
- Are there other factors that might encourage or enhance provider participation in medical assistance?

Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

June 25, 2005



# Questions/discussion

## ■ Contact info:

- **Doug Porter, Assistant Secretary  
Medical Assistance Administration  
Department of Social & Health Services**
- **P.O. Box 45080, Olympia, Wash. 98504-5080**
- **PHONE: 360-902-7607**
- **E-MAIL: [portejd@dshs.wa.gov](mailto:portejd@dshs.wa.gov)**

Provider  
participation in  
Washington  
State Medical  
Assistance

Washington  
State  
Orthopaedic  
Association

June 25, 2005